SANDY POINT BEACH ESTATE HOME OWNERS ASSOCIATION

Financial statements
for the year ended 29 February 2024

These financial statements were prepared by:
Dylan Cox
Chartered Accountant (SA)

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The reports and statements set out below comprise the financial statements presented to the members:

The following supplementary information does not form part of the financial statements and is unaudited:

General Information

Country of incorporation and domicile	South Africa
Nature of business and principal activities	Involved in the promotion, management and protection of members' interests
Trustees	D Baard (Chairperson) R Serdyn (Vice-Chairperson) L Fortuin (Attorney) L De Klerk (Architectural consultant) B De Sousa (Attorney) K Faber (Treasurer)
Business address	Admin Office Gate House Sandy Bay Drive St Helena Bay 7390
Postal address	P.O.Box 617 St Helena Bay 7390
Auditors	Cecil Kilpin & Co. Chartered Accountants (SA) Registered Auditors Practice no.: 903493
Managing agent	Kevin Brown
Tax reference number	9433298222
Preparer	The financial statements were independently compiled by: Dylan Cox Chartered Accountant (SA)

Trustees' Responsibilities and Approval

The trustees are required to maintain adequate accounting records and are responsible for the content and integrity of the financial statements and related financial information included in this report. It is their responsibility to ensure that the financial statements fairly present the state of affairs of the home owners' association as at the end of the financial year and the results of its operations and cash flows for the period then ended, in conformity with the basis of accounting described in Note 1 and the requirements of the Land Use Planning Ordinance (No. 15 of 1985) and the Home Owners' Association's Constitution.

The financial statements are prepared in accordance with the basis of accounting described in Note 1 and are based upon appropriate accounting policies consistently applied and supported by reasonable and prudent judgments and estimates.

The trustees acknowledge that they are ultimately responsible for the system of internal financial control established by the home owners' association and place considerable importance on maintaining a strong control environment. To enable the trustees to meet these responsibilities, the board of trustees sets standards for internal control aimed at reducing the risk of error or loss in a cost effective manner. The standards include the proper delegation of responsibilities within a clearly defined framework, effective accounting procedures and adequate segregation of duties to ensure an acceptable level of risk. These controls are monitored throughout the home owners' association and all employees are required to maintain the highest ethical standards in ensuring the home owners' association's business is conducted in a manner that in all reasonable circumstances is above reproach. The focus of risk management in the home owners' association is on identifying, assessing, managing and monitoring all known forms of risk across the home owners' association. While operating risk cannot be fully eliminated, the home owners' association endeavours to minimise it by ensuring that appropriate infrastructure, controls, systems and ethical behaviour are applied and managed within predetermined procedures and constraints.

The trustees are of the opinion, based on the information and explanations given by management, that the system of internal control provides reasonable assurance that the financial records may be relied on for the preparation of the financial statements. However, any system of internal financial control can provide only reasonable, and not absolute, assurance against material misstatement or loss.

The trustees have reviewed the home owners' association's budget forecast and levy schedule for the year to 28 February 2025 and, in the light of this review and the current financial position, they are satisfied that the home owners' association has or has access to adequate resources to continue in operational existence for the foreseeable future.

The external auditors are responsible for independently auditing and reporting on the home owners' association's financial statements. The financial statements have been examined by the home owners' association's external auditors and their report is presented on pages 6 to 7.

The financial statements set out on pages 4 to 18, which have been prepared on the going concern basis, were approved by the board of trustees and were signed on their behalf by:

Approval of financial statements

Trustee

Trustee

Date: 22/02/2025

Trustees' Report

The trustees submit their report for the year ended 29 February 2024.

1. Review of activities

Main business and operations

The home owners' association is engaged and involved in the promotion, management and protection of members' interests and operates principally in South Africa.

The controlling body was established to administer the common property of the Scheme known as Sandy Point Beach Estate Home Owners Association, situated at St Helena Bay.

All expenses applicable to the common property and administration are recovered from the various members by means of a monthly levy in terms of the rules and constitution of the home owners' association.

The operating results and state of affairs of the home owners' association are fully set out in the attached financial statements and do not in our opinion require any further comment.

Net deficit of the home owners' association was R17,034 (2023: surplus R579,707), after taxation of R29,389 (2023: R25,720).

2. Going concern

The financial statements have been prepared on the basis of accounting policies applicable to a going concern. This basis presumes that funds will be available to finance future operations and that the realisation of assets and settlement of liabilities, contingent obligations and commitments will occur in the ordinary course of business.

3. Events after the reporting period

The trustees are not aware of any matter or circumstance arising since the end of the financial year that has a material impact on the financial statements.

4. Contributions

Contributions paid by sections owners and interest earned during the year were insufficient to meet expenditure, resulting in a levy deficit of R(17,034) (2023: surplus R579,707).

5. Trustees

The trustees of the home owners' association during the year and to the date of this report are as follows:

Name
D Baard (Chairperson)
R Serdyn (Vice-Chairperson)
L Fortuin (Attorney)
L De Klerk (Architectural consultant)
B De Sousa (Attorney)
K Faber (Treasurer)

6. Managing Agent

The managing agent of the home owners' association is Kevin Brown of:

Business address	13 Claasens Avenue Schoongezight Durbanville 7530
Postal address	P.O. Box 617 St Helena Bay 7390

Trustees' Report

7. CSOS compliance

	2024 R	2023 R
CSOS levies		
CSOS levies received	7,912	-
CSOS levies paid	(6,594)	-
Closing balance	**1,318**	-

The trustees confirm that the annual return of the community scheme as required by section 59(b) of the Community Schemes Ombud Service Act, No. 9 of 2011 was submitted within the stipulated deadline of four months subsequent to year end for the previous financial year ending 28 February 2023.

8. Estimates of income and expenditure for the 2025 financial year

A budget for the next financial year will be presented for approval at the forthcoming annual general meeting.

9. Auditors

Cecil Kilpin & Co. was the auditor for the year under review and their re-appointment is dependent on a resolution taken to that effect by the members at the forthcoming annual general meeting.

Independent Auditor's Report

To the Members of Sandy Point Beach Estate Home Owners Association

Opinion

We have audited the financial statements of Sandy Point Beach Estate Home Owners Association (the home owners' association) set out on pages 8 to 18, which comprise the statement of financial position as at 29 February 2024, statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and the notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of Sandy Point Beach Estate Home Owners Association for the year ended 29 February 2024 are prepared, in all material respects, in accordance with the basis of accounting described in Note 1 to the financial statements and the requirements of the Land Use Planning Ordinance (No. 15 of 1985) and the Home Owners' Association's Constitution.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the home owners' association in accordance with the Independent Regulatory Board for Auditors' Code of Professional Conduct for Registered Auditors (IRBA Code) and other independence requirements applicable to performing audits of financial statements in South Africa. We have fulfilled our other ethical responsibilities in accordance with the IRBA Code and in accordance with other ethical requirements applicable to performing audits in South Africa. The IRBA Code is consistent with the corresponding sections of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards). We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter - Basis of Accounting

We draw attention to Note 1 to the financial statements, which describes the basis of accounting. The financial statements are prepared in accordance with the home owners' association's own accounting policies to satisfy the financial information needs of the home owners' association's trustees. As a result, the financial statements may not be suitable for another purpose. Our opinion is not modified in respect of this matter.

Other Information

The trustees are responsible for the other information. The other information comprises the information included in the document titled "Sandy Point Beach Estate Home Owners Association financial statements for the year ended 29 February 2024", which includes the Trustees' Report as required by the Land Use Planning Ordinance (No. 15 of 1985) and the Home Owners' Association's Constitution and the supplementary information as set out on pages 19 to 20. The other information does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

PARTNERS: N NYBACK CA (SA), RA | M BRANDERS CA (SA), RA | S SCHONEGEVEL CA (SA), RA | M SPENCER CA (SA), RA | D COX CA (SA), RA
TAX: E CONRADIE B.COMPT (HONS), PG.DIP (TAX) | VREDENBURG BRANCH: J DE NOBREGA BAcc
CPT Office: 1 Waterford Mews, Century Boulevard, Century City, 7441 PO Box 74, Century City, 7446 Docex 21, Century City
Tel: 021 527 4060 Email: info@cecilkilpin.co.za Website: www.cecilkilpin.co.za
VDB Office: 22 Hout Street, Vredenburg, 7380 PO Box 12, Vredenburg, 7380 Tel: 022 713 1241 Email: ckadmin@cecilkilpin.co.za

Independent Auditor's Report

Responsibilities of the Trustees for the Financial Statements

The trustees are responsible for the preparation of the financial statements in accordance with the basis of accounting described in Note 1 to the financial statements and the requirements of the Land Use Planning Ordinance (No. 15 of 1985) and the Home Owners' Association's Constitution, for determining that the basis of preparation is acceptable in the circumstance and for such internal control as the trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the trustees are responsible for assessing the home owners' association's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the trustees either intend to liquidate the home owners' association or to cease operations, or have no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the home owners' association's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the trustees.
- Conclude on the appropriateness of the trustees' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the home owners' association's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the home owners' association to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the trustees regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Cecil Kilpin & Co.

Cecil Kilpin & Co.
Chartered Accountants (SA)
Registered Auditors
Per Partner: Mynhardt Branders

Vredenburg
Date: 22/02/2025

Statement of Financial Position as at 29 February 2024

	Note(s)	2024 R	2023 R
Assets			
Non-Current Assets			
Property, plant and equipment	2	270,302	203,357
Current Assets			
Trade and other receivables	3	757,704	701,204
Cash and cash equivalents	4	1,518,688	2,026,087
		2,276,392	**2,727,291**
Total Assets		**2,546,694**	**2,930,648**
Equity and Liabilities			
Members' funds and reserves			
Reserves		188,500	110,500
Accumulated surplus		1,312,420	1,407,454
		1,500,920	**1,517,954**
Liabilities			
Non-Current Liabilities			
Finance lease liabilities	5	89,432	122,866
Current Liabilities			
Trade and other payables	6	901,233	1,264,108
Current tax payable	7	55,109	25,720
		956,342	**1,289,828**
Total Liabilities		**1,045,774**	**1,412,694**
Total Equity and Liabilities		**2,546,694**	**2,930,648**

Statement of Comprehensive Income

	Note(s)	2024 R	2023 R
Revenue	8	2,305,528	1,791,238
Other income	9	1,235,117	959,373
Operating expenses	10	(3,670,567)	(2,229,485)
Operating (deficit) surplus		**(129,922)**	**521,126**
Investment revenue	14	162,357	84,301
Finance costs	15	(20,080)	-
Surplus before taxation		**12,355**	**605,427**
Taxation	16	(29,389)	(25,720)
(Deficit) surplus for the year		**(17,034)**	**579,707**
Other comprehensive income		-	-
Total comprehensive (loss) income for the year		**(17,034)**	**579,707**

Statement of Changes in Equity

	Road levy reserve fund R	Accumulated surplus R	Total equity R
Balance at 01 March 2022	**5,500**	**932,747**	**938,247**
Surplus for the year	-	579,707	579,707
Other comprehensive income	-	-	-
Total comprehensive income for the year	**-**	**579,707**	**579,707**
Road levy fund transfer for the year	105,000	(105,000)	-
Total changes	**105,000**	**(105,000)**	**-**
Balance at 01 March 2023	**110,500**	**1,407,454**	**1,517,954**
Deficit for the year	-	(17,034)	(17,034)
Other comprehensive income	-	-	-
Total comprehensive deficit for the year	**-**	**(17,034)**	**(17,034)**
Road levy fund transfer for the year	78,000	(78,000)	-
Total changes	**78,000**	**(78,000)**	**-**
Balance at 29 February 2024	**188,500**	**1,312,420**	**1,500,920**

Statement of Cash Flows

	Note(s)	2024 R	2023 R
Cash flows from operating activities			
Cash receipts from customers		3,481,646	2,740,548
Cash paid to suppliers and employees		(3,972,243)	(1,736,989)
Cash (used in) generated from operations	17	(490,597)	1,003,559
Interest income		162,357	84,301
Tax received	18	-	-
Net cash from operating activities		**(328,240)**	**1,087,860**
Cash flows from investing activities			
Purchase of property, plant and equipment	2	(128,145)	(5,100)
Proceeds from sale of property, plant and equipment	2	2,500	-
Net cash from investing activities		**(125,645)**	**(5,100)**
Cash flows from financing activities			
Cash repayments on finance lease liabilities		(53,514)	(89,965)
Total cash movement for the year		**(507,399)**	**992,795**
Cash and cash equivalents at the beginning of the year		2,026,087	1,033,292
Total cash at end of the year	4	**1,518,688**	**2,026,087**

Accounting Policies

1. Basis of preparation and summary of significant accounting policies

The financial statements have been prepared on a going concern basis in accordance with the accounting policies as set out below. The financial statements have been prepared on the historical cost basis. They are presented in South African Rands.

These accounting policies are consistent with the previous period.

1.1 Significant judgements and sources of estimation uncertainty

The preparation of financial statements requires trustees to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

Key sources of estimation uncertainty

The financial statements do not include assets or liabilities whose carrying amounts were determined based on estimations for which there is a significant risk of material adjustments in the following financial year as a result of the key estimation assumptions.

1.2 Property, plant and equipment

Property, plant and equipment are tangible assets which the home owners' association holds for its own use or for rental to others and which are expected to be used for more than one period.

An item of property, plant and equipment is recognised as an asset when it is probable that future economic benefits associated with the item will flow to the home owners' association, and the cost of the item can be measured reliably.

Property, plant and equipment is initially measured at cost.

Cost includes costs incurred initially to acquire or construct an item of property, plant and equipment and costs incurred subsequently to add to, replace part of, or service it. If a replacement cost is recognised in the carrying amount of an item of property, plant and equipment, the carrying amount of the replaced part is derecognised.

Expenditure incurred subsequently for major services, additions to or replacements of parts of property, plant and equipment are capitalised if it is probable that future economic benefits associated with the expenditure will flow to the home owners' association and the cost can be measured reliably. Day to day servicing costs are included in surplus or deficit in the period in which they are incurred.

Property, plant and equipment is subsequently stated at cost less accumulated depreciation and any accumulated impairment losses, except for land which is stated at cost less any accumulated impairment losses.

Depreciation of an asset commences when the asset is available for use as intended by management. Depreciation is charged to write off the asset's carrying amount over its estimated useful life to its estimated residual value, using a method that best reflects the pattern in which the asset's economic benefits are consumed by the home owners' association.

The useful lives of items of property, plant and equipment have been assessed as follows:

Item	Depreciation method	Average useful life
Other Equipment	Straight line	5 years
Office equipment	Straight line	5 years
IT equipment	Straight line	3 years
Security equipment	Straight line	5 years

All assets with a value below R7,000 are fully depreciated in the year of acquisition.

The depreciation charge for each period is recognised in surplus or deficit unless it is included in the carrying amount of another asset.

Accounting Policies

1.2 Property, plant and equipment (continued)

Depreciation is not charged to an asset if its estimated residual value exceeds or is equal to its carrying amount.

Where major components of an item of property, plant and equipment have significantly different patterns of consumption of economic benefits, the cost of the asset is allocated to the components and they are depreciated separately over each component's useful life.

When indicators are present that the useful lives and residual values of items of property, plant and equipment have changed since the most recent annual reporting date, they are reassessed. Any changes are accounted for prospectively as a change in accounting estimate.

Impairment tests are performed on property, plant and equipment when there is an indicator that they may be impaired. When the carrying amount of an item of property, plant and equipment is assessed to be higher than the estimated recoverable amount, an impairment loss is recognised immediately in surplus or deficit to bring the carrying amount in line with the recoverable amount.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its continued use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment, determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item, is included in surplus or deficit when the item is derecognised.

1.3 Financial instruments

Initial measurement

Financial instruments are initially measured at the transaction price (including transaction costs except in the initial measurement of financial assets and liabilities that are measured at fair value through surplus or deficit) unless the arrangement constitutes, in effect, a financing transaction in which case it is measured at the present value of the future payments discounted at a market rate of interest for a similar debt instrument.

Trade and other receivables

Trade receivables represent amounts owed by homeowners in respect of overdue levies. Trade and other receivables are subsequently measured at cost less any impairment. At the end of each reporting date, the carrying amounts of assets held in these categories are reviewed to determine whether there is any objective evidence of impairment. If so, an impairment loss is recognised through surplus or deficit.

Trade and other payables

Trade payables are obligations to settle amounts due for goods and services acquired during the ordinary course of business. They also include levies received in advance and refundable building deposits. Trade payables are recognised initially at fair value and subsequently at amortised cost.

Cash and cash equivalents

Cash and cash equivalents comprises of cash on hand and demand deposits, and other short-term highly liquid investments that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value. These are initially and subsequently recorded at fair value.

1.4 Tax

Current tax assets and liabilities

Current tax for current and prior periods is, to the extent unpaid, recognised as a liability. If the amount already paid in respect of current and prior periods exceeds the amount due for those periods, the excess is recognised as an asset.

Current tax liabilities (assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the tax authorities, using the tax rates (and tax laws) that have been enacted or substantively enacted by the reporting date.

Accounting Policies

1.4 Tax (continued)

Tax expenses

The home owners' association is taxed in terms of section 10(1)(e) of the Income Tax Act, 1962. In terms of this section, levy income and recoveries are fully exempt. All other income is exempt up to a maximum of R50,000 per annum. Therefore, taxation is calculated and provided for on investment income and other income greater than R50,000 per annum less a portion of deductible administrative expenses.

1.5 Leases

A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership to the lessee. All other leases are operating leases.

Finance leases – lessee

Finance leases are recognised as assets and liabilities at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments.

The lease payments are apportioned between the finance charge and the reduction of the outstanding liability using the effective interest method.

1.6 Reserve funds

Reserve funds are established and separately held for particular purposes identified by the home owners' association. Contributions and expenditure for these purposes are maintained and funded from these reserves.

1.7 Revenue

The annual ordinary levies are agreed and approved by the members at the home owners' association's annual general meeting and accounted for on the accrual basis and therefore includes outstanding amounts owing by the members. Other recoveries are recognised as and when due by the owners.

Other income is recognised as and when it accrues, and is measured at the fair value of the consideration received or receivable.

Interest is recognised, in surplus or deficit, using the effective interest rate method.

1.8 Borrowing costs

Borrowing costs are recognised as an expense in the period in which they are incurred.

Notes to the Financial Statements

	2024	2023
	R	R

2. Property, plant and equipment

	2024			2023		
	Cost or revaluation	Accumulated depreciation and impairment	Carrying value	Cost or revaluation	Accumulated depreciation and impairment	Carrying value
Other equipment	111,746	(98,727)	13,019	119,224	(95,868)	23,356
Office equipment	23,859	(23,853)	6	23,859	(23,853)	6
IT equipment	185,223	(89,046)	96,177	88,263	(71,683)	16,580
Security equipment	194,600	(33,500)	161,100	163,415	-	163,415
Total	**515,428**	**(245,126)**	**270,302**	**394,761**	**(191,404)**	**203,357**

Reconciliation of property, plant and equipment - 2024

	Opening balance	Additions	Disposals	Depreciation	Closing balance
Other equipment	23,356	-	(1)	(10,336)	13,019
Office equipment	6	-	-	-	6
IT equipment	16,580	96,960	-	(17,363)	96,177
Security equipment	163,415	31,185	-	(33,500)	161,100
	203,357	**128,145**	**(1)**	**(61,199)**	**270,302**

Reconciliation of property, plant and equipment - 2023

	Opening balance	Additions	Depreciation	Closing balance
Other equipment	33,691	-	(10,335)	23,356
Office equipment	4	5,100	(5,098)	6
IT equipment	32,329	-	(15,749)	16,580
Security equipment	163,415	-	-	163,415
	229,439	**5,100**	**(31,182)**	**203,357**

3. Trade and other receivables

	2024	2023
Levies receivable	742,748	690,842
Prepayments	4,768	7,000
C.J Loedolf	10,188	3,362
	757,704	**701,204**

Age analysis of levies receivable

	2024					2023
	Current	30 days	60 days	90 days +	Total	Total
Levies receivable	94,724	66,709	53,433	527,882	742,748	690,842

Notes to the Financial Statements

	2024 R	2023 R

4. Cash and cash equivalents

Cash and cash equivalents consist of:

	2024 R	2023 R
Bank balances	92,403	1,011
Short-term deposits	492,319	756,592
Short-term deposits - Building deposits	754,511	1,268,484
Short-term deposits - Eskom guarantee	179,455	-
	1,518,688	**2,026,087**

5. Finance lease liabilities

	2024 R	2023 R
Minimum lease payments which fall due		
- within one year	64,254	52,940
- in second to fifth year inclusive	25,178	69,926
Present value of minimum lease payments	**89,432**	**122,866**

6. Trade and other payables

	2024 R	2023 R
Trade payables	27,963	58,467
Levies received in advance	113,641	98,400
Other payables	2,129	811
Rental deposit	3,500	3,500
Building deposits received	754,000	1,102,930
	901,233	**1,264,108**

7. Current tax receivable (payable)

	2024 R	2023 R
Normal tax	(55,109)	(25,720)

Net current tax receivable (payable)

	2024 R	2023 R
Current liabilities	(55,109)	(25,720)

8. Revenue

	2024 R	2023 R
Rentals received	-	42,350
Ordinary levies	2,297,616	1,748,888
CSOS levies	7,912	-
	2,305,528	**1,791,238**

9. Other income

	2024 R	2023 R
Building fines	11,600	16,000
Collection and consent fees	50,526	81,786
Gains on disposal of assets	2,499	-
Insurance claim received	96,605	74,739
Other recoveries - Security tags, disks and bibs	10,760	7,095
Recoupment of electricity	985,127	674,753
Road levy fees	78,000	105,000
	1,235,117	**959,373**

Notes to the Financial Statements

	2024 R	2023 R

10. Operating expenses

Operating expenses include the following expenses:

Depreciation	61,199	31,182

11. Repairs and maintenance

Repairs and maintenance expenses comprise the following:

	33,529	33,101
	86,860	108,589
	160,000	210,152
Sewerage system maintenance	32,745	34,505
Electrical system maintenance	311,626	158,995
Boardwalk maintenance	179,207	26,050
	803,967	**571,392**

12. Auditor's remuneration

Fees	24,955	19,191
Adjustment for previous years	24,415	-
Tax and secretarial services	598	-
	49,968	**19,191**

13. Insurance policy details

Insurance company	Santam
Policy Number	63121949096
Expiry date	30/04/25
Building sum insured	R13,634,751

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The policy was renewed on 01 May 2024 for a further 12 months.

14. Investment revenue

Interest revenue		
Bank	128,004	79,753
Interest charged on levies in arrears	34,353	4,548
	162,357	**84,301**

15. Finance costs

Finance leases	20,080	-

Notes to the Financial Statements

	2024 R	2023 R

16. Taxation

Major components of the tax expense

	2024 R	2023 R
Current taxation		
South African normal tax - current year	29,389	25,720

Other tax information

The home owners' association is subject to tax at the company rate of 27% on the net investment and other income, in excess of R 50,000, in terms of Section 10(1)(e) of the Income Tax Act.

Refer to page 20 for the tax computation.

17. Cash (used in) generated from operations

	2024 R	2023 R
Net surplus before taxation	12,355	605,427
Adjustments for:		
Depreciation	61,199	31,182
Gains on disposal of assets	(2,499)	-
Investment income	(162,357)	(84,301)
Finance costs	20,080	-
Changes in working capital:		
(Increase) decrease in trade and other receivables	(56,500)	(84,508)
Increase (decrease) in trade and other payables	(362,875)	535,759
	(490,597)	**1,003,559**

18. Tax paid (refunded)

	2024 R	2023 R
Balance at beginning of the year	(25,720)	-
Current tax for the year recognised in profit or loss	(29,389)	(25,720)
Balance at end of the year	55,109	25,720
	-	-

Detailed Income Statement

	Note(s)	2024 R	2023 R
Revenue			
Rentals received		-	42,350
Ordinary levies		2,297,616	1,748,888
CSOS levies		7,912	-
	8	**2,305,528**	**1,791,238**
Other income			
Building fines		11,600	16,000
Consent and collection fees received		50,526	81,786
Gains on disposal of assets		2,499	-
Insurance claim received		96,605	74,739
Other recoveries - security tags, disks and bibs		10,760	7,095
Recoupment of electricity		985,127	674,753
Road levy fee		78,000	105,000
	9	**1,235,117**	**959,373**
Operating expenses			
Auditors remuneration	12	49,968	19,191
Bank charges		7,095	4,162
CSOS contribution		7,912	-
Collection fees paid		27,603	51,394
Computer expenses		13,052	1,225
Consent fees paid		24,000	56,020
Deferred finance charges		-	(49,134)
Depreciation		61,199	31,182
Gatehouse and builders monitoring		144,000	127,000
Insurance		104,828	90,483
Landscaping		254,494	291,308
Levies refunded		-	2,660
Management fees		266,280	214,468
Meeting expenses		5,498	8,534
Municipal charges - electricity		1,427,313	649,278
Municipal charges - rates		288	-
Municipal charges - water		21,888	16,152
Office expenses		6,220	-
Printing and stationery		11,633	1,132
Repairs and maintenance	11	803,967	571,392
Security		424,772	141,310
Signage		8,408	1,102
Telephone and fax		149	626
		3,670,567	**2,229,485**
Operating (deficit) surplus		**(129,922)**	**521,126**
Investment income	14	162,357	84,301
Finance costs	15	(20,080)	-
		142,277	**84,301**
Surplus before taxation		**12,355**	**605,427**
Taxation	16	(29,389)	(25,720)
(Deficit) surplus for the year		**(17,034)**	**579,707**

Sandy Point Beach Estate Home Owners Association

(Taxpayer reference number 9433298222)
Financial Statements for the year ended 29 February 2024

Tax computation

	2024 R
Levies and recoveries	
Levies	
CSOS levies	7,912
Ordinary levies	2,297,616
Road Levy fee	78,000
	2,383,528
Amounts recovered from members	
Consent and collection fees	50,526
Other recoveries - security tags, disks and bibs	10,760
Recoupment of electricity	985,127
	1,046,413
Total levies and recoveries	**3,429,941**
Less: Exemption in terms of section 10(1)(e) of the Income Tax Act	3,429,941
Taxable levies and recoveries	-
Taxable receipts and accruals	
Building fines	11,600
Interest received	162,357
Profit and loss on sale of assets	2,499
	176,456
Less: Basic exemption, limited to R50 000 of taxable receipts and accruals	(50,000)
Income subject to income tax	**126,456**
Allowable deductions	
Auditors remuneration	(2,445)
Bank charges	(347)
Computer expenses	(639)
Management fees	(13,029)
Meeting expenses	(269)
Office expenses	(304)
Printing and stationery	(569)
Telephone and fax	(7)
Less: Apportioned general expenditure	**(17,609)**
Taxable income	108,847
Tax thereon @ 27% in the Rand	**29,389**
Tax liability	
Tax owing per calculation	**29,389**
Less payments made:	
Amount owing (prepaid) at the beginning of the year	25,720
Tax payments	-
	25,720
Amount owing (prepaid) at the end of the year	**55,109**